

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|   |   |   |
|---|---|---|
| In re:  | ) |   |
|   | ) | Chapter 11                                    |
|   | ) |   |
| FRANCHISE GROUP, INC., <i>et al.</i> , <sup>1</sup> | ) | Case No. 24-12480 (LSS)                       |
|   | ) |   |
| Debtors.  | ) | (Jointly Administered)                        |
|   | ) | Obj. Deadline: May 16, 2025 at 4:00 p.m. (ET) |

**SUMMARY OF FIRST MONTHLY  
FEE APPLICATION OF KIRKLAND & ELLIS LLP  
AND KIRKLAND & ELLIS INTERNATIONAL LLP, ATTORNEYS  
FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR THE PERIOD  
FROM FEBRUARY 14, 2025 THROUGH AND INCLUDING FEBRUARY 28, 2025**

Name of Applicant: Kirkland & Ellis LLP  
Kirkland & Ellis International LLP

Authorized to Provide Professional Services to: Debtors and Debtors in Possession

Date of Retention: April 1, 2025 effective as of February 14, 2025

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Period for which compensation  
and reimbursement is sought:

February 14, 2025 through and including  
February 28, 2025

Amount of Compensation sought as actual,  
reasonable, and necessary:

\$3,241,900.80 (80% of \$4,052,376.00)<sup>2</sup>

Amount of Expense reimbursement sought as  
actual, reasonable, and necessary:

\$60,217.02

This is a(n)  X  monthly   interim   final application

**Summary of Hours by Professional Billed  
From February 14, 2025 through February 28, 2025**

| <b>Attorney Name</b>    | <b>Position</b> | <b>Department</b>        | <b>Date of Admission</b> | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|-------------------------|-----------------|--------------------------|--------------------------|--|---|--|
| Matt Advani             | Associate       | Taxation                 | 2023                     | 1,095.00   | 7.40  | \$8,103.00                                 |
| Michael Angarola        | Associate       | Litigation - General     | 2024                     | 865.00   | 25.90                                       | \$22,403.50                                |
| Devika M. Balaram       | Associate       | Litigation - General     | 2021                     | 1,295.00   | 2.40  | \$3,108.00                                 |
| Michael Beauchamp       | Associate       | Restructuring            | 2023                     | 1,065.00   | 83.20                                       | \$88,608.00                                |
| Anna Therese Beavers    | Associate       | Litigation - General     | 2024                     | 865.00   | 9.40  | \$8,131.00                                 |
| Ziv Ben-Shahar          | Associate       | Restructuring            | 2022                     | 1,195.00   | 178.10                                      | \$212,829.50                               |
| Jacob E. Black          | Associate       | Restructuring            | 2021                     | 1,375.00   | 39.10                                       | \$53,762.50                                |
| Keaton Blazer           | Associate       | IP Litigation            | 2024                     | 865.00   | 8.50  | \$7,352.50                                 |
| Socrates L. Boutsikaris | Associate       | IP Litigation            | 2021                     | 1,345.00   | 7.20  | \$9,684.00                                 |
| Brooke K. Brimo         | Associate       | Corporate - Debt Finance | 2023                     | 1,065.00   | 4.90  | \$5,218.50                                 |
| Danny Brown             | Associate       | Litigation - General     | 2022                     | 1,185.00   | 40.60                                       | \$48,111.00                                |
| Caroline Buthe          | Associate       | Restructuring            | N/A                      | 880.00   | 90.00                                       | \$79,200.00                                |
| Christopher Buxton      | Associate       | IP Litigation            | 2019                     | 1,445.00   | 1.20  | \$1,734.00                                 |
| Hacibey Catalbasoglu    | Associate       | Litigation - General     | 2024                     | 865.00   | 18.20                                       | \$15,743.00                                |

<sup>2</sup> K&E voluntarily reduced its fees and expenses by \$198,428.83 in the Fee Period. Consequently, K&E does not seek payment of these fees and expenses in this Monthly Fee Statement.

| <b>Attorney Name</b>  | <b>Position</b> | <b>Department</b>              | <b>Date of Admission</b> | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|-----------------------|-----------------|--------------------------------|--------------------------|--|---|--|
| Gursheen Cheema       | Associate       | Corporate - Debt Finance       | 2024                     | 1,065.00   | 1.80  | \$1,917.00                                 |
| Jacqueline Cloutier   | Associate       | Corporate - Capital Markets    | 2023                     | 1,375.00   | 13.90                                       | \$19,112.50                                |
| Aislinn Comiskey      | Associate       | Restructuring                  | 2025                     | 880.00   | 41.80                                       | \$36,784.00                                |
| Ashton Dubey          | Associate       | Litigation - General           | 2022                     | 1,185.00   | 20.30                                       | \$24,055.50                                |
| Carlos Estrada        | Associate       | Litigation - General           | 2023                     | 1,025.00   | 20.90                                       | \$21,422.50                                |
| Kai Michael Fenty     | Associate       | Taxation                       | 2024                     | 925.00   | 6.00  | \$5,550.00                                 |
| Julia Fletcher        | Associate       | Restructuring                  | 2025                     | 880.00   | 59.90                                       | \$52,712.00                                |
| Rachel Golden         | Associate       | Restructuring                  | 2023                     | 1,195.00   | 163.60                                      | \$195,502.00                               |
| Belle A. E. Harris    | Associate       | Litigation - General           | 2023                     | 1,025.00   | 20.10                                       | \$20,602.50                                |
| Grace Hartnett        | Associate       | Litigation - General           | 2023                     | 1,025.00   | 5.00  | \$5,125.00                                 |
| Maggie Houseknecht    | Associate       | Litigation - General           | 2018                     | 1,445.00   | 25.80                                       | \$37,281.00                                |
| Jeffrey M. Jacobsen   | Associate       | IP Litigation                  | 2022                     | 1,185.00   | 1.50  | \$1,777.50                                 |
| Sarah Jones           | Associate       | Restructuring                  | 2024                     | 880.00   | 16.80                                       | \$14,784.00                                |
| Olivia Kaufmann       | Associate       | Corporate - Healthcare         | 2023                     | 1,195.00   | 3.40  | \$4,063.00                                 |
| Eric S. Kay           | Associate       | Litigation - General           | 2016                     | 1,445.00   | 9.70  | \$14,016.50                                |
| Joshua Lacoste        | Associate       | Litigation - General           | 2024                     | 1,025.00   | 7.00  | \$7,175.00                                 |
| Andrew Lee            | Associate       | IP Litigation                  | 2024                     | 1,025.00   | 2.40  | \$2,460.00                                 |
| Michael David Lehavi  | Associate       | Litigation - General           | 2023                     | 1,025.00   | 11.90                                       | \$12,197.50                                |
| Constantina Leodis    | Associate       | Corporate - Debt Finance       | 2023                     | 1,195.00   | 12.90                                       | \$15,415.50                                |
| Chris Leveroni        | Associate       | Litigation - General           | 2022                     | 1,025.00   | 31.80                                       | \$32,595.00                                |
| Maddison Levine       | Associate       | Restructuring                  | 2021                     | 1,465.00   | 183.50                                      | \$268,827.50                               |
| Cara Li               | Associate       | Corporate - M&A/Private Equity | 2020                     | 1,195.00   | 59.00                                       | \$70,505.00                                |
| Dominick Vito Manetta | Associate       | Restructuring                  | N/A                      | 880.00   | 78.60                                       | \$69,168.00                                |
| Brian Messing         | Associate       | Restructuring                  | 2024                     | 1,065.00   | 26.00                                       | \$27,690.00                                |

| <b>Attorney Name</b>    | <b>Position</b> | <b>Department</b>             | <b>Date of Admission</b> | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|-------------------------|-----------------|-------------------------------|--------------------------|--|---|--|
| Brent Daniel Mobbs      | Associate       | IP Litigation                 | 2023                     | 1,025.00   | 13.80                                       | \$14,145.00                                |
| Brian Nakhaimousa       | Associate       | Restructuring                 | 2021                     | 1,465.00   | 164.40                                      | \$240,846.00                               |
| Srinithi Narayanan      | Associate       | Technology & IP Transactions  | 2023                     | 1,065.00   | 1.20  | \$1,278.00                                 |
| Sarah Osborne           | Associate       | Restructuring                 | 2023                     | 1,065.00   | 109.80                                      | \$116,937.00                               |
| Austin Pennington       | Associate       | IP Litigation                 | N/A                      | 865.00   | 8.60  | \$7,439.00                                 |
| Armando L. Prather      | Associate       | Litigation - General          | 2022                     | 1,185.00   | 3.10  | \$3,673.50                                 |
| Joshua Raphael          | Associate       | Restructuring                 | 2023                     | 1,195.00   | 39.30                                       | \$46,963.50                                |
| Maddison Malone Riddick | Associate       | ECEB - Executive Compensation | 2019                     | 1,525.00   | 2.40  | \$3,660.00                                 |
| Chris M. Salvatore      | Associate       | Antitrust / Competition       | 2019                     | 1,525.00   | 2.90  | \$4,422.50                                 |
| Michael James Sitcawich | Associate       | Litigation - General          | 2022                     | 1,025.00   | 23.10                                       | \$23,677.50                                |
| Michael A. Sloman       | Associate       | Restructuring                 | 2022                     | 1,375.00   | 53.40                                       | \$73,425.00                                |
| Eric J. Tarosky         | Associate       | Litigation - General          | 2023                     | 1,025.00   | 19.30                                       | \$19,782.50                                |
| Kyla Elise Taylor       | Associate       | Litigation - General          | 2021                     | 1,345.00   | 38.50                                       | \$51,782.50                                |
| Ishaan G. Thakran       | Associate       | Restructuring                 | 2024                     | 1,065.00   | 72.10                                       | \$76,786.50                                |
| Samantha Tidwell        | Associate       | Litigation - General          | 2024                     | 1,025.00   | 8.40  | \$8,610.00                                 |
| Luz Tur-Sinai Gozal     | Associate       | Restructuring                 | 2022                     | 880.00   | 19.20                                       | \$16,896.00                                |
| Matthew Calloway Walker | Associate       | Litigation - General          | 2023                     | 1,025.00   | 11.20                                       | \$11,480.00                                |
| Brandon R. Weber        | Associate       | IP Litigation                 | 2023                     | 1,185.00   | 12.20                                       | \$14,457.00                                |
| Christina Welch         | Associate       | Technology & IP Transactions  | 2021                     | 1,375.00   | 4.90  | \$6,737.50                                 |
| Quin Wetzel             | Associate       | Restructuring                 | 2023                     | 1,065.00   | 119.10                                      | \$126,841.50                               |
| Jiange Xiao             | Associate       | IP Litigation                 | 2023                     | 1,185.00   | 6.20  | \$7,347.00                                 |
| Mary Catherine Young    | Associate       | Restructuring                 | 2023                     | 1,195.00   | 98.60                                       | \$117,827.00                               |
| Yi Zhang                | Associate       | IP Litigation                 | 2023                     | 1,025.00   | 2.00  | \$2,050.00                                 |

| <b>Attorney Name</b>       | <b>Position</b> | <b>Department</b>                | <b>Date of Admission</b> | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|----------------------------|-----------------|----------------------------------|--------------------------|--|---|--|
| Bill Arnault, P.C.         | Partner         | Litigation - General             | 2009                     | 2,015.00   | 72.90                                       | \$146,893.50                               |
| John G. Caruso             | Partner         | Real Estate                      | 1992                     | 2,295.00   | 1.50  | \$3,442.50                                 |
| Jacob R. Clark             | Partner         | Real Estate                      | 2017                     | 1,725.00   | 1.50  | \$2,587.50                                 |
| James B. Dickson           | Partner         | Corporate - Debt Finance         | 2013                     | 1,815.00   | 7.30  | \$13,249.50                                |
| Rob Fowler, P.C.           | Partner         | ECEB - Executive Compensation    | 1996                     | 2,295.00   | 0.80  | \$1,836.00                                 |
| Susan D. Golden            | Partner         | Restructuring                    | 1988                     | 1,795.00   | 2.90  | \$5,205.50                                 |
| Jeffrey Ross Goldfine      | Partner         | Litigation - General             | 2016                     | 1,745.00   | 48.20                                       | \$84,109.00                                |
| Nicole L. Greenblatt, P.C. | Partner         | Restructuring                    | 2003                     | 2,595.00   | 68.90                                       | \$178,795.50                               |
| Kate Hardey                | Partner         | Corporate - Healthcare           | 2003                     | 2,175.00   | 6.20  | \$13,485.00                                |
| Jackie Heffernan           | Partner         | ECEB – Labor / Employment        | 2017                     | 1,725.00   | 0.50  | \$862.50                                   |
| Shayne Henry               | Partner         | Litigation - General             | 2014                     | 1,695.00   | 69.40                                       | \$117,633.00                               |
| Keli Huang                 | Partner         | Corporate - M&A / Private Equity | 2018                     | 1,725.00   | 35.10                                       | \$60,547.50                                |
| Derek I. Hunter            | Partner         | Restructuring                    | 2017                     | 1,735.00   | 111.80                                      | \$193,973.00                               |
| Jacquelyn M. Kasulis, P.C. | Partner         | Litigation - General             | 2004                     | 2,265.00   | 2.50  | \$5,662.50                                 |
| R.D. Kohut, P.C.           | Partner         | ECEB – Labor / Employment        | 2004                     | 2,295.00   | 0.30  | \$688.50                                   |
| Joshua Korff, P.C.         | Partner         | Corporate - Capital Markets      | 1994                     | 2,465.00   | 0.30  | \$739.50                                   |
| Melanie MacKay             | Partner         | Litigation - General             | 2010                     | 1,695.00   | 48.80                                       | \$82,716.00                                |
| Drew Maliniak              | Partner         | Corporate - Capital Markets      | 2019                     | 1,725.00   | 13.40                                       | \$23,115.00                                |
| Mark McKane, P.C.          | Partner         | Litigation - General             | 1999                     | 2,265.00   | 59.10                                       | \$133,861.50                               |
| Adam Mohamed               | Partner         | Corporate - Debt Finance         | 2019                     | 1,725.00   | 2.30  | \$3,967.50                                 |

| <b>Attorney Name</b>          | <b>Position</b> | <b>Department</b>              | <b>Date of Admission</b> | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|-------------------------------|-----------------|--------------------------------|--------------------------|--|---|--|
| Maureen D. O'Brien            | Partner         | ECEB - Employee Benefits       | 1998                     | 2,295.00   | 2.40  | \$5,508.00                                 |
| Shawn OHargan, P.C.           | Partner         | Corporate - M&A/Private Equity | 2007                     | 2,295.00   | 19.60                                       | \$44,982.00                                |
| Scott D. Price, P.C.          | Partner         | ECEB - Executive Compensation  | 1998                     | 2,465.00   | 2.30  | \$5,669.50                                 |
| Thomas Prommer                | Partner         | Corporate - Debt Finance       | 2016                     | 1,815.00   | 4.30  | \$7,804.50                                 |
| Gregory B. Sanford            | Partner         | IP Litigation                  | 2008                     | 1,745.00   | 5.50  | \$9,597.50                                 |
| Joanna Schlingbaum            | Partner         | Technology & IP Transactions   | 2016                     | 1,725.00   | 2.10  | \$3,622.50                                 |
| Anthony Vincenzo Sexton, P.C. | Partner         | Taxation                       | 2011                     | 2,075.00   | 3.10  | \$6,432.50                                 |
| Josh Sussberg, P.C.           | Partner         | Restructuring                  | 2004                     | 2,595.00   | 60.10                                       | \$155,959.50                               |
| Michael Leonard Urschel, P.C. | Partner         | Corporate - Debt Finance       | 2008                     | 2,465.00   | 5.50  | \$13,557.50                                |
| Nicholas Warther              | Partner         | Taxation                       | 2017                     | 1,825.00   | 9.00  | \$16,425.00                                |
| Amber L. Whipkey              | Partner         | Litigation - General           | 2002                     | 1,295.00   | 47.20                                       | \$61,124.00                                |
| Dennis Williams, P.C.         | Partner         | Corporate - Healthcare         | 2008                     | 2,295.00   | 4.30  | \$9,868.50                                 |
| <b>Total for Attorneys</b>    |                 |                                |                          |  | <b>2,892.50</b>                             | <b>\$3,935,713.00</b>                      |

**Summary of Hours by Paraprofessional Billed  
From February 14, 2025 through February 28, 2025**

| <b>Paraprofessional Name</b> | <b>Position</b>  | <b>Department</b>    | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|------------------------------|------------------|----------------------|--|---|--|
| Christian Mancino            | Junior Paralegal | Restructuring        | 395.00   | 3.10  | \$1,224.50                                 |
| Julia F. Burnson             | Paralegal        | Restructuring        | 685.00   | 22.30                                       | \$15,275.50                                |
| Uzo Dike                     | Paralegal        | Litigation - General | 705.00   | 12.20                                       | \$8,601.00                                 |
| Michael Y. Chan              | Support Staff    | Conflicts Analysis   | 550.00   | 6.30  | \$3,465.00                                 |
| Matthew Cooper               | Support Staff    | Conflicts Analysis   | 370.00   | 25.70                                       | \$9,509.00                                 |

| <b>Paraprofessional Name</b>                       | <b>Position</b> | <b>Department</b>          | <b>Hourly Billing Rate<br/>In this Application</b> | <b>Hours Billed<br/>In this Application</b> | <b>Fees Billed<br/>In this Application</b> |
|--|-----------------|----------------------------|--|---|--|
| Marta Dudyan                                       | Support Staff   | Conflicts Analysis         | 370.00   | 33.10                                       | \$12,247.00                                |
| Houston Gao  | Support Staff   | Litigation - General       | 560.00   | 4.90  | \$2,744.00                                 |
| Henry Huang  | Support Staff   | Litigation - General       | 625.00   | 48.00                                       | \$30,000.00                                |
| Sean Lopez   | Support Staff   | Litigation & Practice Tech | 690.00   | 31.80                                       | \$21,942.00                                |
| Eric Nyberg  | Support Staff   | Conflicts Analysis         | 370.00   | 31.50                                       | \$11,655.00                                |
| <b>Total for Paraprofessionals</b>                 |                 |                            |  | <b>218.90</b>                               | <b>\$116,663.00</b>                        |
| <b>Total for Attorneys &amp; Paraprofessionals</b> |                 |                            |  | <b>3,111.40</b>                             | <b>\$4,052,376.00</b>                      |

**Compensation By Project Category**  
**From February 14, 2025 through February 28, 2025**

| <b>Matter Number</b> | <b>Project Category Description</b>                                | <b>Total Hours</b> | <b>Total Fees</b> |
|----------------------|--|--------------------|-------------------|
| 1                    | Chapter 11   | 0.00               | \$0.00            |
| 2                    | Adversary Proceedings & Contested Matters                          | 24.60              | \$136,081.00      |
| 3                    | Corporate, Securities, and Gov. Matters                            | 98.80              | \$1,354,026.00    |
| 4                    | Disclosure Statement / Plan / Confirmation                         | 1,006.20           | \$72,956.00       |
| 5                    | DIP Financing and Cash Collateral                                  | 62.50              | \$1,025.50        |
| 6                    | Cash Management  | 0.70               | \$27,689.00       |
| 7                    | Automatic Stay Issues  | 25.90              | \$249,571.50      |
| 8                    | Asset Sales / Section 363 / Use, Sale, and Disposition of Property | 158.30             | \$96,363.50       |
| 9                    | Executory Contracts and Unexpired Leases                           | 85.10              | \$8,858.50        |
| 10                   | Business Operations  | 6.90               | \$37,172.50       |
| 11                   | Claims Administration  | 30.00              | \$101,258.50      |
| 12                   | Schedules and Statements (SOFAs)                                   | 0.00               | \$0.00            |
| 13                   | Creditor and Stakeholder Communications                            | 59.50              | \$105,016.00      |
| 14                   | U.S. Trustee Matters and Communications                            | 3.70               | \$2,789.00        |
| 15                   | Hearings   | 56.00              | \$2,031.50        |
| 16                   | Insurance and Surety Matters                                       | 2.20               | \$31,772.50       |
| 17                   | Utilities  | 1.70               | \$239,155.50      |
| 18                   | Tax Matters  | 20.70              | \$317,353.00      |
| 19                   | Case Administration  | 201.60             | \$41,297.50       |

| <b>Matter Number</b> | <b>Project Category Description</b> | <b>Total Hours</b> | <b>Total Fees</b>     |
|----------------------|-------------------------------------|--------------------|-----------------------|
| 20                   | Retention – K&E                     | 330.00             | \$52,539.50           |
| 21                   | Retention – Non-K&E                 | 35.00              | \$1,049,421.50        |
| 22                   | Vendor Matters                      | 47.50              | \$49,145.50           |
| 23                   | Litigation                          | 809.40             | \$11,232.00           |
| 24                   | Non-Working Travel                  | 27.30              | \$18,497.00           |
| 25                   | Creditors' Committee Matters        | 6.60               | \$42,561.00           |
| 26                   | Employee and Labor Matters          | 11.20              | \$136,081.00          |
| <b>Total</b>         |                                     | <b>3,111.40</b>    | <b>\$4,052,376.00</b> |

### Expense Summary

| <b>Expense</b>                    | <b>Vendor (if any)</b> | <b>Unit Cost (if applicable)</b> | <b>Amount</b>      |
|-----------------------------------|------------------------|----------------------------------|--------------------|
| Third Party Telephone Charges     |                        |                                  | \$0.00             |
| Standard Copies or Prints         | Kirkland & Ellis LLP   | \$0.10                           | \$621.00           |
| Binding                           | Kirkland & Ellis LLP   |                                  | \$0.00             |
| Color Copies or Prints            |                        |                                  | \$342.65           |
| Large Format Copy/Print           | Kirkland & Ellis LLP   |                                  | \$0.00             |
| Scanned Images                    |                        |                                  | \$0.00             |
| 4" Binders                        |                        |                                  | \$0.00             |
| Local Transportation              |                        |                                  | \$537.17           |
| Travel Expense                    |                        |                                  | \$6,589.00         |
| Airfare                           |                        |                                  | \$6,518.64         |
| Transportation to/from airport    |                        |                                  | \$444.30           |
| Travel Meals                      |                        |                                  | \$908.40           |
| Other Travel Expenses             |                        |                                  | \$76.00            |
| Court Reporter Fee/Deposition     |                        |                                  | \$1,861.80         |
| Other Court Costs and Fees        |                        |                                  | \$39,077.65        |
| Westlaw Research                  |                        |                                  | \$2,135.52         |
| LexisNexis Research               |                        |                                  | \$214.44           |
| Overtime Transportation           |                        |                                  | \$448.48           |
| Overtime Meals - Attorney         |                        |                                  | \$411.07           |
| Document Services Overtime        | Kirkland & Ellis LLP   |                                  | \$0.00             |
| Computer Database Research - Soft |                        |                                  | \$30.90            |
| <b>Total</b>                      |                        |                                  | <b>\$60,217.02</b> |



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|   |                                 |   |
|---|---------------------------------|---|
| In re:<br><br>FRANCHISE GROUP, INC., <i>et al.</i> , <sup>1</sup><br><br><div style="text-align: right;">Debtors.</div> | )<br>)<br>)<br>)<br>)<br>)<br>) | Chapter 11<br><br>Case No. 24-12480 (LSS)<br><br>(Jointly Administered)<br><b>Obj. Deadline: May 16, 2025 at 4:00 p.m. (ET)</b> |
|---|---------------------------------|---|

**FIRST MONTHLY FEE  
APPLICATION OF KIRKLAND & ELLIS LLP  
AND KIRKLAND & ELLIS INTERNATIONAL LLP, ATTORNEYS  
FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR THE PERIOD  
FROM FEBRUARY 14, 2025 THROUGH AND INCLUDING FEBRUARY 28, 2025**

Pursuant to sections 327, 330, and 331 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the *Order Authorizing the Retention and Employment of Kirkland & Ellis LLP and Kirkland & Ellis International LLP as Attorneys for the Debtors and*

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

*Debtors in Possession Effective as of February 14, 2025*, entered April 1, 2025 [Docket No. 1213] (the “Retention Order”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Estate Professionals*, entered December 6, 2024 [Docket No. 353] (the “Interim Compensation Order”), and the Local Rules for the United States Bankruptcy Court District of Delaware (the “Local Rules”), the law firm of Kirkland & Ellis LLP and Kirkland & Ellis International LLP (together, “K&E”), counsel for the above-captioned debtors and debtors in possession (collectively, the “Debtors”), hereby files this monthly fee statement (this “Monthly Fee Statement”) for: (a) compensation in the amount of \$3,241,900.80 (80% of \$4,052,376.00) for the reasonable and necessary legal services K&E rendered to the Debtors from February 14, 2025 through February 28, 2025 (the “Fee Period”); and (b) reimbursement for the actual and necessary expenses that K&E incurred, in the amount of \$60,217.02 during the Fee Period.

### **Itemization of Services Rendered and Disbursements Incurred**

1. In support of this Monthly Fee Statement, attached are the following exhibits:
  - **Exhibit A** is a schedule of the number of hours expended and fees incurred (on an aggregate basis) by K&E partners, associates, and paraprofessionals during the Fee Period with respect to each of the subject matter categories K&E established in accordance with its internal billing procedures. As reflected in **Exhibit A**, K&E incurred \$4,052,376.00 in fees during the Fee Period. Pursuant to this Monthly Fee Statement, K&E seeks reimbursement for 80% of such fees (\$3,241,900.80 in the aggregate).
  - **Exhibit B** is a schedule providing certain information regarding the K&E attorneys and paraprofessionals for whose work on these chapter 11 cases compensation is sought in this Monthly Fee Statement. Attorneys and paraprofessionals of K&E have expended a total of 3,111.40 hours in connection with these chapter 11 cases during the Fee Period.
  - **Exhibit C** is a schedule for the Fee Period, setting forth the total amount of reimbursement sought with respect to each category of expenses for which K&E is seeking reimbursement in this Monthly Fee Statement. All of these disbursements comprise the requested sum for K&E’s out-of-pocket expenses.

- **Exhibit D** consists of K&E's records of fees and expenses incurred during the Fee Period in the rendition of the professional services to the Debtors and their estates.<sup>2</sup>

### **Representations**

2. Although every effort has been made to include all fees and expenses incurred in the Fee Period, some fees and expenses might not be included in this Monthly Fee Statement due to delays caused by accounting and processing during the Fee Period. K&E reserves the right to make further application to the United States Bankruptcy Court for the District of Delaware for allowance of such fees and expenses not included herein. Subsequent fee applications will be filed in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Order.

*[Remainder Of Page Intentionally Left Blank]*

---

<sup>2</sup> K&E has negotiated a discounted rate for Westlaw computer-assisted legal research. Computer-assisted legal research is used whenever the researcher determines that using Westlaw is more cost effective than using traditional (non-computer assisted legal research) techniques.

WHEREFORE, K&E requests allowance of its fees and expenses incurred during the Fee Period in the total amount of \$3,302,117.82 consisting of: (a) \$3,241,900.80, which is 80% of the fees incurred by the Debtors for reasonable and necessary professional services rendered by K&E; and (b) \$60,217.02 for actual and necessary costs and expenses, and that such fees and expenses be paid as administrative expenses of the Debtors' estates.

Dated: April 25, 2025  
Wilmington, Delaware

/s/ Joshua A. Sussberg

**YOUNG CONAWAY STARGATT &  
TAYLOR, LLP**

Edmon L. Morton (Del. No. 3856)  
Matthew B. Lunn (Del. No. 4119)  
Allison S. Mielke (Del. No. 5934)  
Sheila Borovinskaya (Del. No. 6758)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253  
Email: emorton@ycst.com  
mlunn@ycst.com  
amielke@ycst.com  
sborovinskaya@ycst.com

*Co-Counsel to the Debtors  
and Debtors in Possession*

**KIRKLAND & ELLIS LLP**

**KIRKLAND & ELLIS INTERNATIONAL LLP**

Joshua A. Sussberg, P.C. (admitted *pro hac vice*)  
Nicole L. Greenblatt, P.C. (admitted *pro hac vice*)  
Derek I. Hunter (admitted *pro hac vice*)  
601 Lexington Avenue  
New York, New York 10022  
Telephone: (212) 446-4800  
Facsimile: (212) 446-4900  
Email: joshua.sussberg@kirkland.com  
nicole.greenblatt@kirkland.com  
derek.hunter@kirkland.com

- and -

**KIRKLAND & ELLIS LLP**

**KIRKLAND & ELLIS INTERNATIONAL LLP**

Mark McKane, P.C. (admitted *pro hac vice*)  
555 California Street  
San Francisco, California 94104  
Telephone: (415) 439-1400  
Facsimile: (415) 439-1500  
Email: mark.mckane@kirkland.com

*Co-Counsel to the Debtors  
and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|   |   |                         |
|---|---|-------------------------|
| In re:  | ) |                         |
|   | ) | Chapter 11              |
|   | ) |                         |
| FRANCHISE GROUP, INC., <i>et al.</i> , <sup>1</sup> | ) | Case No. 24-12480 (LSS) |
|   | ) |                         |
| Debtors.  | ) | (Jointly Administered)  |
|   | ) |                         |

**VERIFICATION OF JOSHUA A. SUSSBERG, P.C.**

I, Joshua A. Sussberg, hereby declare the following under penalty of perjury:

1. I am the president of Joshua A. Sussberg, P.C., a partner of the law firm of Kirkland & Ellis LLP, located at 601 Lexington Ave., New York, N.Y. 10022, and a partner of Kirkland & Ellis International LLP (together with Kirkland & Ellis LLP, “K&E”). I am a member in good standing of the Bar of the State of New York, and I have been admitted to practice in the United States Court of Appeals for the Second and Fifth Circuits and the United States District Courts for the Southern District of New York and the Northern District of Illinois. I have been admitted *pro*

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

*hac vice* in the above-captioned chapter 11 cases. There are no disciplinary proceedings pending against me.

2. I have personally performed many of the legal services rendered by K&E<sup>2</sup> as general bankruptcy counsel to the Debtors and am familiar with all other work performed on behalf of the Debtors by the lawyers and other persons in the firm.

3. The facts set forth in the foregoing Monthly Fee Statement are true and correct to the best of my knowledge, information, and belief.

4. I have reviewed rule 2016-1 of the Local Rules and believe that the Monthly Fee Statement for K&E complies with rule 2016-1.

5. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Respectfully submitted,

Dated: April 25, 2025

/s/ Joshua A. Sussberg

Joshua A. Sussberg  
as President of Joshua A. Sussberg, P.C.,  
as Partner of Kirkland & Ellis LLP; and  
as Partner of Kirkland & Ellis International LLP

---

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *First Monthly Fee Application of Kirkland & Ellis LLP and Kirkland & Ellis International LLP, Attorneys For the Debtors and Debtors in Possession, for the Period from February 14, 2025 Through and Including February 28, 2025*.